

109TH CONGRESS  
1ST SESSION

# H. R. 490

To amend title XXVII of the Public Health Service Act to improve the  
affordability of health insurance coverage for small employers.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 1, 2005

Mr. PENCE (for himself, Mr. SESSIONS, Mr. RYUN of Kansas, Mr. TANCREDO, Mr. GARRETT of New Jersey, Mr. FRANKS of Arizona, Mr. JONES of North Carolina, Mr. TERRY, Mr. WILSON of South Carolina, Mr. KING of Iowa, Mr. PAUL, Mr. FLAKE, Mr. DOOLITTLE, Mr. MILLER of Florida, Mr. HOSTETTLER, Mr. SENSENBRENNER, Mrs. NORTHUP, Mr. BARRETT of South Carolina, and Mr. SOUDER) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend title XXVII of the Public Health Service Act  
to improve the affordability of health insurance coverage  
for small employers.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Small Business  
5       Healthcare Savings Act”.

1 **SEC. 2. REPEAL OF GUARANTEED ISSUE IN SMALL GROUP**  
2 **MARKET.**

3 (a) IN GENERAL.—Subsection (a) of section 2711 of  
4 the Public Health Service Act (42 U.S.C. 300gg–11) is  
5 amended by striking “in a State\_\_” and all that follows  
6 through “must accept for enrollment” and inserting “in  
7 a State must accept for enrollment”.

8 (b) EFFECTIVE DATES.—

9 (1) IN GENERAL.—Subject to paragraph (2),  
10 the amendments made by subsection (a) shall apply  
11 with respect to group health plans, and health insur-  
12 ance coverage offered in connection with group  
13 health plans, for plan years beginning on or after  
14 January 1, 2006 (in this subsection referred to as  
15 the “general effective date”) and also shall apply to  
16 portions of plan years occurring on and after such  
17 date.

18 (2) TREATMENT OF COLLECTIVE BARGAINING  
19 AGREEMENTS.—In the case of a group health plan  
20 maintained pursuant to 1 or more collective bar-  
21 gaining agreements between employee representa-  
22 tives and 1 or more employers ratified before the  
23 date of enactment of this Act, the amendments made  
24 by this Act shall not apply to plan years beginning  
25 before the later of—

1                   (A) the date on which the last collective  
2                   bargaining agreements relating to the plan ter-  
3                   minates (determined without regard to any ex-  
4                   tension thereof agreed to after the date of en-  
5                   actment of this Act); or

6                   (B) the general effective date.

7 For purposes of subparagraph (A), any plan amendment  
8 made pursuant to a collective bargaining agreement relat-  
9 ing to the plan which amends the plan solely to conform  
10 to any requirement added by this section shall not be  
11 treated as a termination of such collective bargaining  
12 agreement.

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